

FISCAL NOTE

HB 614 - SB 1381

March 30, 2007

SUMMARY OF BILL: Enacts the “Tennessee Terrorism Prevention in Hazardous Materials Transportation Act of 2007.” Prohibits the transportation of certain ultra-hazardous materials or chemicals through the “Capitol Exclusion Zone” without a necessary permit, except in cases of emergency. Authorizes the Tennessee Department of Transportation (TDOT) to issue permits for the transportation of such materials or chemical upon a demonstration that there is no practical alternative route. Authorizes TDOT to collect fees for the issuance of permits. Establishes a \$10,000 civil penalty for any first violation; a \$25,000 civil penalty for any subsequent violation. Requires revenue derived from civil penalties be deposited to the General Fund.

ESTIMATED FISCAL IMPACT:

Increase State Revenues - \$10,000 / Highway Fund

**Increase State Expenditures - \$150,000 One-Time / Highway Fund
\$50,000 Recurring / Highway Fund**

Assumptions:

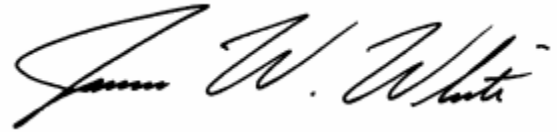
- “Capitol Exclusion Zone” means all points within 2.2 miles of the Tennessee State Capitol Building.
- The Commissioner of Transportation shall issue rules and regulations pursuant to the Uniform Administrative Procedures Act (UAPA).
- Civil penalty fines shall be assessed only after hearings held in accordance with UAPA.
- Very few civil penalty fines are expected to be collected as a result of this legislation.
- According to TDOT, departmental revenue generated from the issuance of permits is estimated to be \$10,000 per year.
- According to TDOT, recurring departmental expenditures will increase as a result of communications with multiple carriers and reviewing permit applications. Such recurring expenditures are estimated increase by approximately \$50,000 per year.
- According to TDOT, signs would need to be erected on the following interstates and highways: I-24, I-65, I-40, I-440, SR-1,

SR-6, SR-11, SR-24, and SR-106. In addition, signs would need to be posted on multiple local government roads.

- The one-time increase to state expenditures to erect the appropriate signage is estimated to be \$150,000.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James W. White". The signature is written in a cursive, flowing style with a large initial "J" and a distinct "W".

James W. White, Executive Director